

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Bill No. 254, Page 1, Section A, Line 2, by inserting immediately after said line the
2 following:

3 "160.400. 1. A charter school is an independent public school.

4 2. Except as further provided in subsection 4 of this section, charter schools may be
5 operated only:

6 (1) In a metropolitan school district;

7 (2) In an urban school district containing most or all of a city with a population greater than
8 three hundred fifty thousand inhabitants;

9 (3) In a school district that has been classified as unaccredited by the state board of
10 education;

11 (4) In a school district that has been classified as provisionally accredited by the state board
12 of education and has received scores on its annual performance report consistent with a
13 classification of provisionally accredited or unaccredited for three consecutive school years
14 beginning with the 2012-13 accreditation year under the following conditions:

15 (a) The eligibility for charter schools of any school district whose provisional accreditation
16 is based in whole or in part on financial stress as defined in sections 161.520 to 161.529, or on
17 financial hardship as defined by rule of the state board of education, shall be decided by a vote of
18 the state board of education during the third consecutive school year after the designation of
19 provisional accreditation; and

20 (b) The sponsor is limited to the local school board or a sponsor who has met the standards
21 of accountability and performance as determined by the department based on sections 160.400 to
22 160.425 and section 167.349 and properly promulgated rules of the department; or

23 (5) In a school district that has been accredited without provisions, sponsored only by the
24 local school board; provided that no board with a current year enrollment of one thousand five
25 hundred fifty students or greater shall permit more than thirty-five percent of its student enrollment
26 to enroll in charter schools sponsored by the local board under the authority of this subdivision,
27 except that this restriction shall not apply to any school district that subsequently becomes eligible
28 under subdivision (3) or (4) of this subsection or to any district accredited without provisions that
29 sponsors charter schools prior to having a current year student enrollment of one thousand five
30 hundred fifty students or greater.

31 3. Except as further provided in subsection 4 of this section, the following entities are
32 eligible to sponsor charter schools:

33 (1) The school board of the district in any district which is sponsoring a charter school as of
34 August 27, 2012, as permitted under subdivision (1) or (2) of subsection 2 of this section, the
35 special administrative board of a metropolitan school district during any time in which powers
36 granted to the district's board of education are vested in a special administrative board, or if the state

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1 board of education appoints a special administrative board to retain the authority granted to the
 2 board of education of an urban school district containing most or all of a city with a population
 3 greater than three hundred fifty thousand inhabitants, the special administrative board of such school
 4 district;

5 (2) A public four-year college or university with an approved teacher education program
 6 that meets regional or national standards of accreditation;

7 (3) A community college, the service area of which encompasses some portion of the
 8 district;

9 (4) Any private four-year college or university with an enrollment of at least one thousand
 10 students, with its primary campus in Missouri, and with an approved teacher preparation program;

11 (5) Any two-year private vocational or technical school designated as a 501(c)(3) nonprofit
 12 organization under the Internal Revenue Code of 1986, as amended, and accredited by the Higher
 13 Learning Commission, with its primary campus in Missouri;

14 (6) The Missouri charter public school commission created in section 160.425.

15 4. Changes in a school district's accreditation status that affect charter schools shall be
 16 addressed as follows, except for the districts described in subdivisions (1) and (2) of subsection 2 of
 17 this section:

18 (1) As a district transitions from unaccredited to provisionally accredited, the district shall
 19 continue to fall under the requirements for an unaccredited district until it achieves three
 20 consecutive full school years of provisional accreditation;

21 (2) As a district transitions from provisionally accredited to full accreditation, the district
 22 shall continue to fall under the requirements for a provisionally accredited district until it achieves
 23 three consecutive full school years of full accreditation;

24 (3) In any school district classified as unaccredited or provisionally accredited where a
 25 charter school is operating and is sponsored by an entity other than the local school board, when the
 26 school district becomes classified as accredited without provisions, a charter school may continue to
 27 be sponsored by the entity sponsoring it prior to the classification of accredited without provisions
 28 and shall not be limited to the local school board as a sponsor.

29
 30 A charter school operating in a school district identified in subdivision (1) or (2) of subsection 2 of
 31 this section may be sponsored by any of the entities identified in subsection 3 of this section,
 32 irrespective of the accreditation classification of the district in which it is located. A charter school
 33 in a district described in this subsection whose charter provides for the addition of grade levels in
 34 subsequent years may continue to add levels until the planned expansion is complete to the extent of
 35 grade levels in comparable schools of the district in which the charter school is operated.

36 5. The mayor of a city not within a county may request a sponsor under subdivision (2), (3),
 37 (4), (5), or (6) of subsection 3 of this section to consider sponsoring a "workplace charter school",
 38 which is defined for purposes of sections 160.400 to 160.425 as a charter school with the ability to
 39 target prospective students whose parent or parents are employed in a business district, as defined in
 40 the charter, which is located in the city.

41 6. No sponsor shall receive from an applicant for a charter school any fee of any type for
 42 the consideration of a charter, nor may a sponsor condition its consideration of a charter on the
 43 promise of future payment of any kind.

44 7. The charter school shall be organized as a Missouri nonprofit corporation incorporated
 45 pursuant to chapter 355. The charter provided for herein shall constitute a contract between the
 46 sponsor and the charter school.

47 8. As a nonprofit corporation incorporated pursuant to chapter 355, the charter school shall
 48 select the method for election of officers pursuant to section 355.326 based on the class of

1 corporation selected. Meetings of the governing board of the charter school shall be subject to the
2 provisions of sections 610.010 to 610.030.

3 9. A sponsor of a charter school, its agents and employees are not liable for any acts or
4 omissions of a charter school that it sponsors, including acts or omissions relating to the charter
5 submitted by the charter school, the operation of the charter school and the performance of the
6 charter school.

7 10. A charter school may affiliate with a four-year college or university, including a private
8 college or university, or a community college as otherwise specified in subsection 3 of this section
9 when its charter is granted by a sponsor other than such college, university or community college.
10 Affiliation status recognizes a relationship between the charter school and the college or university
11 for purposes of teacher training and staff development, curriculum and assessment development, use
12 of physical facilities owned by or rented on behalf of the college or university, and other similar
13 purposes. A university, college or community college may not charge or accept a fee for affiliation
14 status.

15 11. The expenses associated with sponsorship of charter schools shall be defrayed by the
16 department of elementary and secondary education retaining one and five-tenths percent of the
17 amount of state and local funding allocated to the charter school under section 160.415, not to
18 exceed one hundred twenty-five thousand dollars, adjusted for inflation. The department of
19 elementary and secondary education shall remit the retained funds for each charter school to the
20 school's sponsor, provided the sponsor remains in good standing by fulfilling its sponsorship
21 obligations under sections 160.400 to 160.425 and 167.349 with regard to each charter school it
22 sponsors, including appropriate demonstration of the following:

23 (1) Expends no less than ninety percent of its charter school sponsorship funds in support of
24 its charter school sponsorship program, or as a direct investment in the sponsored schools;

25 (2) Maintains a comprehensive application process that follows fair procedures and rigorous
26 criteria and grants charters only to those developers who demonstrate strong capacity for
27 establishing and operating a quality charter school;

28 (3) Negotiates contracts with charter schools that clearly articulate the rights and
29 responsibilities of each party regarding school autonomy, expected outcomes, measures for
30 evaluating success or failure, performance consequences based on the annual performance report,
31 and other material terms;

32 (4) Conducts contract oversight that evaluates performance, monitors compliance, informs
33 intervention and renewal decisions, and ensures autonomy provided under applicable law; and

34 (5) Designs and implements a transparent and rigorous process that uses comprehensive
35 data to make merit-based renewal decisions.

36 12. Sponsors receiving funds under subsection 11 of this section shall be required to submit
37 annual reports to the joint committee on education demonstrating they are in compliance with
38 subsection 17 of this section.

39 13. No university, college or community college shall grant a charter to a nonprofit
40 corporation if an employee of the university, college or community college is a member of the
41 corporation's board of directors.

42 14. No sponsor shall grant a charter under sections 160.400 to 160.425 and 167.349 without
43 ensuring that a criminal background check and family care safety registry check are conducted for
44 all members of the governing board of the charter schools or the incorporators of the charter school
45 if initial directors are not named in the articles of incorporation, nor shall a sponsor renew a charter
46 without ensuring a criminal background check and family care safety registry check are conducted
47 for each member of the governing board of the charter school.

48 15. No member of the governing board of a charter school shall hold any office or

employment from the board or the charter school while serving as a member, nor shall the member have any substantial interest, as defined in section 105.450, in any entity employed by or contracting with the board. No board member shall be an employee of a company that provides substantial services to the charter school. All members of the governing board of the charter school shall be considered decision-making public servants as defined in section 105.450 for the purposes of the financial disclosure requirements contained in sections 105.483, 105.485, 105.487, and 105.489. All members of the governing board shall be resident taxpayers of the state of Missouri; except that, any member serving a term as of August 28, 2017, may serve the remainder of his or her term even if such member is not a resident taxpayer of the state of Missouri.

16. A sponsor shall develop the policies and procedures for:

(1) The review of a charter school proposal including an application that provides sufficient information for rigorous evaluation of the proposed charter and provides clear documentation that the education program and academic program are aligned with the state standards and grade-level expectations, and provides clear documentation of effective governance and management structures, and a sustainable operational plan;

(2) The granting of a charter;

(3) The performance contract that the sponsor will use to evaluate the performance of charter schools. Charter schools shall meet ~~current~~ all state and federal requirements and shall meet the same academic performance standards required of seven-director school districts as well as other standards agreed upon by the sponsor and the charter school in the performance contract;

(4) The sponsor's intervention, renewal, and revocation policies, including the conditions under which the charter sponsor may intervene in the operation of the charter school, along with actions and consequences that may ensue, and the conditions for renewal of the charter at the end of the term, consistent with subsections 8 and 9 of section 160.405;

(5) Additional criteria that the sponsor will use for ongoing oversight of the charter; and

(6) Procedures to be implemented if a charter school should close, consistent with the provisions of subdivision (15) of subsection 1 of section 160.405.

The department shall provide guidance to sponsors in developing such policies and procedures.

17. (1) A sponsor shall provide timely submission to the state board of education of all data necessary to demonstrate that the sponsor is in material compliance with all requirements of sections 160.400 to 160.425 and section 167.349. The state board of education shall ensure each sponsor is in compliance with all requirements under sections 160.400 to 160.425 and 167.349 for each charter school sponsored by any sponsor. The state board shall notify each sponsor of the standards for sponsorship of charter schools, delineating both what is mandated by statute and what best practices dictate. The state board shall evaluate sponsors to determine compliance with these standards every three years. The evaluation shall include a sponsor's policies and procedures in the areas of charter application approval; required charter agreement terms and content; sponsor performance evaluation and compliance monitoring; and charter renewal, intervention, and revocation decisions. Nothing shall preclude the department from undertaking an evaluation at any time for cause.

(2) If the department determines that a sponsor is in material noncompliance with its sponsorship duties, the sponsor shall be notified and given reasonable time for remediation. If remediation does not address the compliance issues identified by the department, the commissioner of education shall conduct a public hearing and thereafter provide notice to the charter sponsor of corrective action that will be recommended to the state board of education. Corrective action by the department may include withholding the sponsor's funding and suspending the sponsor's authority to sponsor a school that it currently sponsors or to sponsor any additional school until the sponsor is reauthorized by the state board of education under section 160.403.

(3) The charter sponsor may, within thirty days of receipt of the notice of the commissioner's recommendation, provide a written statement and other documentation to show cause as to why that action should not be taken. Final determination of corrective action shall be determined by the state board of education based upon a review of the documentation submitted to the department and the charter sponsor.

(4) If the state board removes the authority to sponsor a currently operating charter school under any provision of law, the Missouri charter public school commission shall become the sponsor of the school.

18. If a sponsor notifies a charter school of closure under subsection 8 of section 160.405, the department of elementary and secondary education shall exercise its financial withholding authority under subsection 12 of section 160.415 to assure all obligations of the charter school shall be met. The state, charter sponsor, or resident district shall not be liable for any outstanding liability or obligations of the charter school.

160.405. 1. A person, group or organization seeking to establish a charter school shall submit the proposed charter, as provided in this section, to a sponsor. If the sponsor is not a school board, the applicant shall give a copy of its application to the school board of the district in which the charter school is to be located and to the state board of education, within five business days of the date the application is filed with the proposed sponsor. The school board may file objections with the proposed sponsor, and, if a charter is granted, the school board may file objections with the state board of education. The charter shall include a legally binding performance contract that describes the obligations and responsibilities of the school and the sponsor as outlined in sections 160.400 to 160.425 and section 167.349 and shall address the following:

(1) A mission and vision statement for the charter school;

(2) A description of the charter school's organizational structure and bylaws of the governing body, which will be responsible for the policy, financial management, and operational decisions of the charter school, including the nature and extent of parental, professional educator, and community involvement in the governance and operation of the charter school;

(3) A financial plan for the first three years of operation of the charter school including provisions for annual audits;

(4) A description of the charter school's policy for securing personnel services, its personnel policies, personnel qualifications, and professional development plan;

(5) A description of the grades or ages of students being served;

(6) The school's calendar of operation, which shall include at least the equivalent of a full school term as defined in section 160.011;

(7) A description of the charter school's pupil performance standards and academic program performance standards, which shall meet the requirements of subdivision (6) of subsection 4 of this section. The charter school program shall be designed to enable each pupil to achieve such standards and shall contain a complete set of indicators, measures, metrics, and targets for academic program performance, including specific goals on graduation rates and standardized test performance and academic growth;

(8) A description of the charter school's educational program and curriculum;

(9) The term of the charter, which shall be five years and may be renewed for a five-year term; except that, if the annual performance report score of a charter school, other than a charter school in which fifty percent or more of the school's students were previously considered dropouts under subdivision (5) of subsection 2 of this section, is below the average of the annual performance report scores of all non-selective grade-level-equivalent school buildings in the school district in which the charter school is located for two of the three consecutive years immediately before a decision whether to renew is made, such renewal shall be for only a three-year term, and if, during

1 such three-year term, the charter school's annual performance report score is below such average for
 2 two of the three years, the charter school term shall not be renewed;

3 (10) Procedures, consistent with the Missouri financial accounting manual, for monitoring
 4 the financial accountability of the charter, which shall meet the requirements of subdivision (4) of
 5 subsection 4 of this section;

6 (11) Preopening requirements for applications that require that charter schools meet all
 7 health, safety, and other legal requirements prior to opening;

8 (12) A description of the charter school's policies on student discipline and student
 9 admission, which shall include a statement, where applicable, of the validity of attendance of
 10 students who do not reside in the district but who may be eligible to attend under the terms of
 11 judicial settlements and procedures that ensure admission of students with disabilities in a
 12 nondiscriminatory manner;

13 (13) A description of the charter school's grievance procedure for parents or guardians;

14 (14) A description of the agreement and time frame for implementation between the charter
 15 school and the sponsor as to when a sponsor shall intervene in a charter school, when a sponsor shall
 16 revoke a charter for failure to comply with subsection 8 of this section, and when a sponsor will not
 17 renew a charter under subsection 9 of this section;

18 (15) Procedures to be implemented if the charter school should close, as provided in
 19 subdivision (6) of subsection 16 of section 160.400 including:

20 (a) Orderly transition of student records to new schools and archival of student records;

21 (b) Archival of business operation and transfer or repository of personnel records;

22 (c) Submission of final financial reports;

23 (d) Resolution of any remaining financial obligations;

24 (e) Disposition of the charter school's assets upon closure; and

25 (f) A notification plan to inform parents or guardians of students, the local school district,
 26 the retirement system in which the charter school's employees participate, and the state board of
 27 education within thirty days of the decision to close;

28 (16) A description of the special education and related services that shall be available to
 29 meet the needs of students with disabilities; and

30 (17) For all new or revised charters, procedures to be used upon closure of the charter
 31 school requiring that unobligated assets of the charter school be returned to the department of
 32 elementary and secondary education for their disposition, which upon receipt of such assets shall
 33 return them to the local school district in which the school was located, the state, or any other entity
 34 to which they would belong.

35
 36 Charter schools operating on August 27, 2012, shall have until August 28, 2015, to meet the
 37 requirements of this subsection.

38 2. Proposed charters shall be subject to the following requirements:

39 (1) A charter shall be submitted to the sponsor, and follow the sponsor's policies and
 40 procedures for review and granting of a charter approval, and be approved by the state board of
 41 education by January thirty-first prior to the school year of the proposed opening date of the charter
 42 school;

43 (2) A charter may be approved when the sponsor determines that the requirements of this
 44 section are met, determines that the applicant is sufficiently qualified to operate a charter school,
 45 and that the proposed charter is consistent with the sponsor's charter sponsorship goals and capacity.
 46 The sponsor's decision of approval or denial shall be made within ninety days of the filing of the
 47 proposed charter;

48 (3) If the charter is denied, the proposed sponsor shall notify the applicant in writing as to

1 the reasons for its denial and forward a copy to the state board of education within five business
2 days following the denial;

3 (4) If a proposed charter is denied by a sponsor, the proposed charter may be submitted to
4 the state board of education, along with the sponsor's written reasons for its denial. If the state
5 board determines that the applicant meets the requirements of this section, that the applicant is
6 sufficiently qualified to operate the charter school, and that granting a charter to the applicant would
7 be likely to provide educational benefit to the children of the district, the state board may grant a
8 charter and act as sponsor of the charter school. The state board shall review the proposed charter
9 and make a determination of whether to deny or grant the proposed charter within sixty days of
10 receipt of the proposed charter, provided that any charter to be considered by the state board of
11 education under this subdivision shall be submitted no later than March first prior to the school year
12 in which the charter school intends to begin operations. The state board of education shall notify
13 the applicant in writing as the reasons for its denial, if applicable; and

14 (5) The sponsor of a charter school shall give priority to charter school applicants that
15 propose a school oriented to high-risk students and to the reentry of dropouts into the school system.
16 If a sponsor grants three or more charters, at least one-third of the charters granted by the sponsor
17 shall be to schools that actively recruit dropouts or high-risk students as their student body and
18 address the needs of dropouts or high-risk students through their proposed mission, curriculum,
19 teaching methods, and services. For purposes of this subsection, a "high-risk" student is one who is
20 at least one year behind in satisfactory completion of course work or obtaining high school credits
21 for graduation, has dropped out of school, is at risk of dropping out of school, needs drug and
22 alcohol treatment, has severe behavioral problems, has been suspended from school three or more
23 times, has a history of severe truancy, is a pregnant or parenting teen, has been referred for
24 enrollment by the judicial system, is exiting incarceration, is a refugee, is homeless or has been
25 homeless sometime within the preceding six months, has been referred by an area school district for
26 enrollment in an alternative program, or qualifies as high risk under department of elementary and
27 secondary education guidelines. Dropout shall be defined through the guidelines of the school core
28 data report. The provisions of this subsection do not apply to charters sponsored by the state board
29 of education.

30 3. If a charter is approved by a sponsor, the charter application shall be submitted to the
31 state board of education, along with a statement of finding by the sponsor that the application meets
32 the requirements of sections 160.400 to 160.425 and section 167.349 and a monitoring plan under
33 which the charter sponsor shall evaluate the academic performance, including annual performance
34 reports, of students enrolled in the charter school. The state board of education shall approve or
35 deny a charter application within sixty days of receipt of the application. The state board of
36 education may deny a charter on grounds that the application fails to meet the requirements of
37 sections 160.400 to 160.425 and section 167.349 or that a charter sponsor previously failed to meet
38 the statutory responsibilities of a charter sponsor. Any denial of a charter application made by the
39 state board of education shall be in writing and shall identify the specific failures of the application
40 to meet the requirements of sections 160.400 to 160.425 and section 167.349, and the written denial
41 shall be provided within ten business days to the sponsor.

42 4. A charter school shall, as provided in its charter:

43 (1) Be nonsectarian in its programs, admission policies, employment practices, and all other
44 operations;

45 (2) Comply with laws and regulations of the state, county, or city relating to health, safety,
46 and state minimum educational standards, as specified by the state board of education, including the
47 requirements relating to student discipline under sections 160.261, 167.161, 167.164, and 167.171,
48 notification of criminal conduct to law enforcement authorities under sections 167.115 to 167.117,

1 academic assessment under section 160.518, transmittal of school records under section 167.020,
2 the minimum amount of school time required under section 171.031, and the employee criminal
3 history background check and the family care safety registry check under section 168.133;

4 (3) Except as provided in sections 160.400 to 160.425 and as specifically provided in other
5 sections, be exempt from all laws and rules relating to schools, governing boards and school
6 districts;

7 (4) Be financially accountable, use practices consistent with the Missouri financial
8 accounting manual, provide for an annual audit by a certified public accountant, publish audit
9 reports and annual financial reports as provided in chapter 165, provided that the annual financial
10 report may be published on the department of elementary and secondary education's internet website
11 in addition to other publishing requirements, and provide liability insurance to indemnify the
12 school, its board, staff and teachers against tort claims. A charter school that receives local
13 educational agency status under subsection 6 of this section shall meet the requirements imposed by
14 the Elementary and Secondary Education Act for audits of such agencies and comply with all
15 federal audit requirements for charters with local educational agency status. The charter school
16 shall make the results of such audits available on its website. For purposes of an audit by petition
17 under section 29.230, a charter school shall be treated as a political subdivision on the same terms
18 and conditions as the school district in which it is located. For the purposes of securing such
19 insurance, a charter school shall be eligible for the Missouri public entity risk management fund
20 pursuant to section 537.700. A charter school that incurs debt shall include a repayment plan in its
21 financial plan;

22 (5) Provide a comprehensive program of instruction for at least one grade or age group from
23 early childhood through grade twelve, as specified in its charter;

24 (6) (a) Design a method to measure pupil progress toward the pupil academic standards
25 adopted by the state board of education pursuant to section 160.514, establish baseline student
26 performance in accordance with the performance contract during the first year of operation, collect
27 student performance data as defined by the annual performance report throughout the duration of
28 the charter to annually monitor student academic performance, and to the extent applicable based
29 upon grade levels offered by the charter school, participate in the statewide system of assessments,
30 comprised of the essential skills tests and the nationally standardized norm-referenced achievement
31 tests, as designated by the state board pursuant to section 160.518, complete and distribute an annual
32 report card as prescribed in section 160.522, which shall also include a statement that background
33 checks have been completed on the charter school's board members, and report to its sponsor, the
34 local school district, and the state board of education as to its teaching methods and any educational
35 innovations and the results thereof. No charter school shall be considered in the Missouri school
36 improvement program review of the district in which it is located for the resource or process
37 standards of the program.

38 (b) For proposed high-risk or alternative charter schools, sponsors shall approve
39 performance measures based on mission, curriculum, teaching methods, and services. Sponsors
40 shall also approve comprehensive academic and behavioral measures to determine whether students
41 are meeting performance standards on a different time frame as specified in that school's charter.
42 Student performance shall be assessed comprehensively to determine whether a high-risk or
43 alternative charter school has documented adequate student progress. Student performance shall be
44 based on sponsor-approved comprehensive measures as well as standardized public school
45 measures. Annual presentation of charter school report card data to the department of elementary
46 and secondary education, the state board, and the public shall include comprehensive measures of
47 student progress.

48 (c) Nothing in this subdivision shall be construed as permitting a charter school to be held to

1 lower performance standards than other public schools within a district; however, the charter of a
2 charter school may permit students to meet performance standards on a different time frame as
3 specified in its charter. The performance standards for alternative and special purpose charter
4 schools that target high-risk students as defined in subdivision (5) of subsection 2 of this section
5 shall be based on measures defined in the school's performance contract with its sponsors;

6 (7) Comply with all applicable federal and state laws and regulations regarding students
7 with disabilities, including sections 162.670 to 162.710, the Individuals with Disabilities Education
8 Act (20 U.S.C. Section 1400) and Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section
9 794) or successor legislation;

10 (8) Provide along with any request for review by the state board of education the following:

11 (a) Documentation that the applicant has provided a copy of the application to the school
12 board of the district in which the charter school is to be located, except in those circumstances
13 where the school district is the sponsor of the charter school; and

14 (b) A statement outlining the reasons for approval or denial by the sponsor, specifically
15 addressing the requirements of sections 160.400 to 160.425 and 167.349.

16 5. (1) Proposed or existing high-risk or alternative charter schools may include alternative
17 arrangements for students to obtain credit for satisfying graduation requirements in the school's
18 charter application and charter. Alternative arrangements may include, but not be limited to, credit
19 for off-campus instruction, embedded credit, work experience through an internship arranged
20 through the school, and independent studies. When the state board of education approves the
21 charter, any such alternative arrangements shall be approved at such time.

22 (2) The department of elementary and secondary education shall conduct a study of any
23 charter school granted alternative arrangements for students to obtain credit under this subsection
24 after three years of operation to assess student performance, graduation rates, educational outcomes,
25 and entry into the workforce or higher education.

26 6. The charter of a charter school may be amended at the request of the governing body of
27 the charter school and on the approval of the sponsor. The sponsor and the governing board and
28 staff of the charter school shall jointly review the school's performance, management and operations
29 during the first year of operation and then every other year after the most recent review or at any
30 point where the operation or management of the charter school is changed or transferred to another
31 entity, either public or private. The governing board of a charter school may amend the charter, if
32 the sponsor approves such amendment, or the sponsor and the governing board may reach an
33 agreement in writing to reflect the charter school's decision to become a local educational agency.
34 In such case the sponsor shall give the department of elementary and secondary education written
35 notice no later than March first of any year, with the agreement to become effective July first. The
36 department may waive the March first notice date in its discretion. The department shall identify
37 and furnish a list of its regulations that pertain to local educational agencies to such schools within
38 thirty days of receiving such notice.

39 7. Sponsors shall annually review the charter school's compliance with statutory standards
40 including:

41 (1) Participation in the statewide system of assessments, as designated by the state board of
42 education under section 160.518;

43 (2) Assurances for the completion and distribution of an annual report card as prescribed in
44 section 160.522;

45 (3) The collection of baseline data during the first three years of operation to determine the
46 longitudinal success of the charter school;

47 (4) A method to measure pupil progress toward the pupil academic standards adopted by the
48 state board of education under section 160.514; and

1 (5) Publication of each charter school's annual performance report.

2 8. (1) (a) A sponsor's policies shall give schools clear, adequate, evidence-based, and
3 timely notice of contract violations or performance deficiencies and mandate intervention based
4 upon findings of the state board of education of the following:

5 a. The charter school provides a high school program which fails to maintain a graduation
6 rate of at least seventy percent in three of the last four school years unless the school has dropout
7 recovery as its mission;

8 b. The charter school's annual performance report results are below the district's annual
9 performance report results based on the performance standards that are applicable to the grade level
10 configuration of both the charter school and the district in which the charter school is located in
11 three of the last four school years; and

12 c. The charter school is identified as a persistently lowest achieving school by the
13 department of elementary and secondary education.

14 (b) A sponsor shall have a policy to revoke a charter during the charter term if there is:

15 a. Clear evidence of underperformance as demonstrated in the charter school's annual
16 performance report in three of the last four school years; or

17 b. A violation of the law or the public trust that imperils students or public funds.

18 (c) A sponsor shall revoke a charter or take other appropriate remedial action, which may
19 include placing the charter school on probationary status for no more than twenty-four months,
20 provided that no more than one designation of probationary status shall be allowed for the duration
21 of the charter contract, at any time if the charter school commits a serious breach of one or more
22 provisions of its charter or on any of the following grounds: failure to meet the performance
23 contract as set forth in its charter, failure to meet generally accepted standards of fiscal management,
24 failure to provide information necessary to confirm compliance with all provisions of the charter
25 and sections 160.400 to 160.425 and 167.349 within forty-five days following receipt of written
26 notice requesting such information, or violation of law.

27 (2) The sponsor may place the charter school on probationary status to allow the
28 implementation of a remedial plan, which may require a change of methodology, a change in
29 leadership, or both, after which, if such plan is unsuccessful, the charter may be revoked.

30 (3) At least sixty days before acting to revoke a charter, the sponsor shall notify the
31 governing board of the charter school of the proposed action in writing. The notice shall state the
32 grounds for the proposed action. The school's governing board may request in writing a hearing
33 before the sponsor within two weeks of receiving the notice.

34 (4) The sponsor of a charter school shall establish procedures to conduct administrative
35 hearings upon determination by the sponsor that grounds exist to revoke a charter. Final decisions
36 of a sponsor from hearings conducted pursuant to this subsection are subject to an appeal to the state
37 board of education, which shall determine whether the charter shall be revoked.

38 (5) A termination shall be effective only at the conclusion of the school year, unless the
39 sponsor determines that continued operation of the school presents a clear and immediate threat to
40 the health and safety of the children.

41 (6) A charter sponsor shall make available the school accountability report card information
42 as provided under section 160.522 and the results of the academic monitoring required under
43 subsection 3 of this section.

44 9. (1) A sponsor shall take all reasonable steps necessary to confirm that each charter
45 school sponsored by such sponsor is in material compliance and remains in material compliance
46 with all material provisions of the charter and sections 160.400 to 160.425 and 167.349. Every
47 charter school shall provide all information necessary to confirm ongoing compliance with all
48 provisions of its charter and sections 160.400 to 160.425 and 167.349 in a timely manner to its

1 sponsor.

2 (2) The sponsor's renewal process of the charter school shall be based on the thorough
3 analysis of a comprehensive body of objective evidence and consider if:

4 (a) The charter school has maintained results on its annual performance report that meet or
5 exceed the district in which the charter school is located based on the performance standards that are
6 applicable to the grade-level configuration of both the charter school and the district in which the
7 charter school is located in three of the last four school years;

8 (b) The charter school is organizationally and fiscally viable determining at a minimum that
9 the school does not have:

10 a. A negative balance in its operating funds;

11 b. A combined balance of less than three percent of the amount expended for such funds
12 during the previous fiscal year; or

13 c. Expenditures that exceed receipts for the most recently completed fiscal year;

14 (c) The charter is in compliance with its legally binding performance contract and sections
15 160.400 to 160.425 and section 167.349; and

16 (d) The charter school has an annual performance report consistent with a classification of
17 accredited for three of the last four years and is fiscally viable as described in paragraph (b) of this
18 subdivision. If such is the case, the charter school may have an expedited renewal process as
19 defined by rule of the department of elementary and secondary education.

20 (3) (a) Beginning August first during the year in which a charter is considered for renewal,
21 a charter school sponsor shall demonstrate to the state board of education that the charter school is
22 in compliance with federal and state law as provided in sections 160.400 to 160.425 and section
23 167.349 and the school's performance contract including but not limited to those requirements
24 specific to academic performance.

25 (b) Along with data reflecting the academic performance standards indicated in paragraph
26 (a) of this subdivision, the sponsor shall submit a revised charter application to the state board of
27 education for review. Such application shall include a financial audit performed by the state auditor
28 in accordance with the procedures outlined in chapter 29, which shall be paid for by the charter
29 school.

30 (c) Using the data requested and the revised charter application under paragraphs (a) and (b)
31 of this subdivision, the state board of education shall determine if compliance with all standards
32 enumerated in this subdivision has been achieved. The state board of education at its next regularly
33 scheduled meeting shall vote on the revised charter application.

34 (d) If a charter school sponsor demonstrates the objectives identified in this subdivision, the
35 state board of education shall renew the school's charter.

36 10. A school district may enter into a lease with a charter school for physical facilities.

37 11. A governing board or a school district employee who has control over personnel actions
38 shall not take unlawful reprisal against another employee at the school district because the employee
39 is directly or indirectly involved in an application to establish a charter school. A governing board
40 or a school district employee shall not take unlawful reprisal against an educational program of the
41 school or the school district because an application to establish a charter school proposes the
42 conversion of all or a portion of the educational program to a charter school. As used in this
43 subsection, "unlawful reprisal" means an action that is taken by a governing board or a school
44 district employee as a direct result of a lawful application to establish a charter school and that is
45 adverse to another employee or an educational program.

46 12. Charter school board members shall be subject to the same liability for acts while in
47 office as if they were regularly and duly elected members of school boards in any other public
48 school district in this state. The governing board of a charter school may participate, to the same

1 extent as a school board, in the Missouri public entity risk management fund in the manner provided
2 under sections 537.700 to 537.756.

3 13. Any entity, either public or private, operating, administering, or otherwise managing a
4 charter school shall be considered a quasi-public governmental body and subject to the provisions of
5 sections 610.010 to 610.035.

6 14. The chief financial officer of a charter school shall maintain:

7 (1) A surety bond in an amount determined by the sponsor to be adequate based on the cash
8 flow of the school; or

9 (2) An insurance policy issued by an insurance company licensed to do business in Missouri
10 on all employees in the amount of five hundred thousand dollars or more that provides coverage in
11 the event of employee theft.

12 15. The department of elementary and secondary education shall calculate an annual
13 performance report for each charter school and shall publish it in the same manner as annual
14 performance reports are calculated and published for districts and attendance centers.

15 16. The joint committee on education shall create a committee to investigate facility access
16 and affordability for charter schools. The committee shall be comprised of equal numbers of the
17 charter school sector and the public school sector and shall report its findings to the general
18 assembly by December 31, 2016."; and

19
20 Further amend said bill by amending the title, enacting clause, and intersectional references
21 accordingly.